

**GABLEGOTWALS**

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
LUBBOCK DIVISION**

In re:	)	
	)	
REAGOR-DYKES MOTORS, LP, <i>et al.</i> <sup>1</sup>	)	Case No. 18-50214-rlj-11
	)	
Debtors.	)	(Jointly Administered)
	)	

**MOTION FOR RELIEF FROM AUTOMATIC STAY**

COMES NOW International Bank of Commerce (“IBC”), a creditor and party-in-interest herein, and for its *Motion for Relief from Automatic Stay*, states as follows:

1. The Debtors in these jointly administered bankruptcy cases are part of a larger corporate enterprise known as the Reagor-Dykes Automobile Group (“RDAG”), which also includes non-Debtor entities.

2. IBC and certain non-Debtor members of RDAG entered into an approximately \$35 million credit facility (the “IBC Facility”). Under the IBC Facility, IBC’s principal borrower is

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<sup>1</sup> The Debtors are Reagor-Dykes Imports, LP (Case No. 18-50215), Reagor-Dykes Amarillo (Case No. 18-50216), Reagor-Dykes Auto Company, LP (Case No. 18-50217), Reagor-Dykes Plainview, LP (Case No. 18-50218), and Reagor-Dykes Floydada, LP (Case No. 18-50219).

non-debtor, D and R Acquisitions, L.L.C. (“Acquisitions”). The Debtors, among others, are guarantors of the IBC Facility.

3. Acquisitions is the owner of certain RDAG real property, including, without limitation, real estate that serves as locations for the Debtors (“Debtor Locations”). The Debtors may have, or at one time had, leasehold interests in those properties. Exhibit A hereto describes the potential leasehold interest and relationship for each of the Debtor Locations.

4. By virtue of Deeds of Trust executed by the Acquisitions in favor of IBC, IBC holds security interests in the real property that serves as the Debtor Locations.

5. In that certain *Subordination Agreement* dated February 27, 2018, each of the Debtors, as “Tenants”, agreed with IBC that the “leasehold estate created by each Lease, and all rights and privileges of each Tenant under any Lease are subject and subordinate to the lien of the [IBC] Deeds of Trust and to any renewals, modifications, consolidations, replacements and extensions of the Deeds of Trust to the full extent of the obligations secured by the Deeds of Trust now or in the future.”

6. Since the commencement of these bankruptcy cases, Acquisitions has failed to make required monthly loan payments to IBC, and is in default under the IBC Facility.

7. Since there has been a payment default, *inter alia*, under the IBC Facility, IBC has the right to foreclose on the Debtor Locations through judicial proceedings, or non-judicial sales, under its Deeds of Trust (“Foreclosures”).

8. Under the circumstances, IBC does not believe that any of its anticipated Foreclosures against non-Debtors will constitute an “act against property” under 11 U.S.C. §§ 362(a) and (d)(2), or otherwise violate the automatic stay provisions of Section 362(a).

9. In an abundance of caution, however, IBC seeks an order (i) determining that the automatic stay in these cases does not prevent the Foreclosures, or (ii) modifying the automatic stay of Section 362(a) to permit the Foreclosures to be commenced and prosecuted to completion.

10. Cause exists for relief from the automatic stay under 11 U.S.C. § 362(d)(1) by virtue of the fact, *inter alia*, that the anticipated Foreclosures are against non-Debtor entities and will not seek to alter the Debtors' existing rights, if any, in the Debtor Locations.

11. Under the circumstances of this matter, it is appropriate that the stay provided by Fed. R. Bankr. P. 4001(a)(3) be ordered not to apply.

NOTICE

PURSUANT TO LOCAL BANKRUPTCY RULE 4001-1(b), A RESPONSE IS REQUIRED TO THIS MOTION, OR THE ALLEGATIONS IN THE MOTION MAY BE DEEMED ADMITTED, AND AN ORDER GRANTING THE RELIEF SOUGHT MAY BE ENTERED BY DEFAULT.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1205 TEXAS AVENUE, LUBBOCK, TEXAS 79401, BEFORE CLOSE OF BUSINESS ON SEPTEMBER 14, 2018, WHICH IS AT LEAST 14 DAYS FROM THE DATE OF SERVICE HEREOF. A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY AND ANY TRUSTEE OR EXAMINER APPOINTED IN THE CASE. ANY RESPONSE SHALL INCLUDE A DETAILED AND COMPREHENSIVE STATEMENT AS TO HOW THE MOVANT CAN BE "ADEQUATELY PROTECTED" IF THE STAY IS TO BE CONTINUED.

**WHEREFORE**, IBC respectfully requests that this Court (a) enter its order (i) determining that the automatic stay in these cases does not prevent the Foreclosures, or (ii) modifying the automatic stay of Section 362(a) to permit the Foreclosures to be commenced and prosecuted to completion; and (b) direct such other and further relief as is fair and equitable under the circumstances.

**DATED** this 31st day of August, 2018.

Respectfully Submitted,

/s/ John D. Dale

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**CERTIFICATE OF SERVICE**

I hereby certify that on August 31, 2018, a true and correct copy of the foregoing document was served via ECF or first-class U.S. Mail, upon all the parties in interest required by Local Rule 4001-1(a).

/s/ John D. Dale

John D. Dale

**"EXHIBIT A"**

Address (according to Deed of Trust)	County	Deed of Trust Description	Landlord	Tenant	Term
1220 S. I-27, Plainview, TX 79072	Hale	<u>Tract 1:</u> A 3.0 acre tract out of the South part of Section 29, Block JK-2, Hale County, Texas described by metes and bounds as follows: BEGINNING at the intersection of the West right-of-way line of U.S. Highway No. 87 and the South line of Section 28, Block JK-2, Hale County, Texas, said point being 2678.7 feet from the S.W. corner of said Section 29; THENCE S 5°15'W along said highway right-of-way 452.74 feet to a 5/8 inch steel rod; THENCE S 84°45'W 300.00 feet to a 5/8 inch steel rod; THENCE S 5°15'E 418.47 feet to a 5/8 inch steel rod in the South line of said Section 29; THENCE S 88°44'E along the said South line of Section 29 301.95 feet to the PLACE OF BEGINNING and containing 3.0 acres, more or less.	Lease #1: D&R Acquisitions, LLC	Lease #1: Reagor-Dykes Auto Company, LP	Lease #1: 3/1/2013 - 2/28/2016
		<u>Tract 2:</u> A 2.245 acre tract of land out of the West part of Section 29, Block JK-2, Hale County, Texas, described by metes and bounds as follows: BEGINNING at the NW corner of Section 29, block JK-2, Hale County, Texas; THENCE E 2093.8 feet to a point; THENCE S 587.0 feet to a point; THENCE S 5°15'E 1523.35 feet to a point; THENCE S 7°48'55" E 493.21 feet to the BEGINNING corner of this tract; THENCE S 7°48'55" E 318.69 feet to a steel rod; THENCE N 84°45'E 300.00 feet to a steel rod in the West right-of-way line of U.S. Highway No. 87; THENCE N 5°15' W 318.37 feet to a steel rod; THENCE S 84°45' W 314.26 feet to the PLACE OF BEGINNING and containing 2.245 acres, more or less	Lease #2: D&R Acquisitions, LLC	Lease #2: Reagor-Dykes, Plainview, LP d/b/a Reagor-Dykes Toyota	Lease #2: 7/1/2015 - 6/30/2019
		<u>Tract 3:</u> A 5.245 acre tract of land out of the West part of Section 29, Block JK-2, Hale County, Texas, described by metes and bounds as follows: BEGINNING at the NW corner of Section 29, Block JK-2, Hale County, Texas; THENCE E along the North line of said Section 29 2093.8 feet to a point; THENCE S 587 feet to a point; THENCE S 5°15' E 1523.35 feet to a point; THENCE S 7°48'55" E 493.21 feet to the BEGINNING corner of this tract; THENCE S 7°48'55" E 318.69 feet to a point; THENCE S 5°15' E 418.87 feet to a point in the road; THENCE N 88°44' W 355.35 feet to a point; THENCE N 699.45 feet to a point; THENCE N 84°45' E 274.8 feet to a			

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		the PLACE OF BEGINNING and containing 5.245 acres of land, more or less			
1207 S. Lynn	Dawson	<p>TRACT 4: All of that certain 1.89 acre tract out of the Booker Addition, out of a 1.19 acre tract and out of a 4.64 acre tract and out of Section 7, Block 35, Township 5 North, T &amp; P Railroad Company Survey, Dawson County, Texas, as per plat recorded in Volume 3, Page 96 of the Plat Records, Dawson County, Texas, and being more particularly described in metes and bounds as follows:</p> <p>BEGINNING at a point from whence the Southeast corner of Block 14 of the W.D. Turner Addition to the Town of Lamesa in Dawson County, Texas, bears North 75°35' East a distance of 282 feet and North 14°15' West a distance of 20 feet; THENCE North 75°35' East a distance of 112 feet; THENCE South 14°15' East a distance of 95 feet; THENCE North 75°35' East a distance of 160 feet; THENCE South 14°15' East a distance of 275 feet; THENCE South 75°35' West a distance of 256.28 feet; THENCE North 16°41' West a distance of 370.29 feet to the PLACE OF BEGINNING.</p>	D&R Acquisitions	Reagor Dykes Motors, L.P. d/b/a Spike Dykes Ford Lincoln	3/1/2013 - 2/28/2016
215 S. Main (Lease purports to cover 221 S. Main St.; 215 S. Main St.; 216 S. Main St.; 219 S. Main St.; 301 S. Main St.; 315 S. Main St.; 317 S. Main St.; 319 S. Main St; and other property with	Floyd	<p>Tract 1: Lots Fourteen (14), Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), and Nineteen (19), Block Eighty-Three (83), Original Town of Floydada, Floyd County, Texas, according to the Map, Plat and/or Dedication Deed thereof, recorded in Volume 2-F, Page 294, Deed Records of Floyd County, Texas.</p> <p>Tract 2: All of Lots Seven (7), Eight (8), Nine (9), Ten (10), Eleven (11), and Twelve (12), Block Eighty-Four (84), Original Town of Floydada, Floyd County, Texas, according to the Map, Plat and/or Dedication Deed thereof, recorded in Volume 2-F, Page 294, Deed Records of Floyd County, Texas.</p> <p>Tract 3: All of Lots Ten (10) and Eleven (11), Block Ninety-Three (93), Original Town of Floydada, Floyd County, Texas, according to the Map, Plat, and/or Dedication Deed thereof, recorded in Volume 2-F, Page 294, Deed Records of Floyd County, Texas.</p>	D&R Acquisitions, LLC	Reagor-Dykes Floydada, L.P. d/b/a Reagor- Dykes Chevrolet	11/1/2015 - 10/31/2018

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a legal description of PT TR 2, BLK 9-10: Price First Addition (South Ralls Highway)		<p><u>Tract 4:</u> Lots Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-One (21), Twenty-Two (22), Twenty-Three (23), and Twenty-Four (24), Block Ninety-Four (94), Original Town of Floydada, Floyd County, Texas, according to the Map, Plat and or Dedication Deed thereof, recorded in Volume 2-F, Page 294, Deed Records of Floyd County, Texas.</p> <p><u>Tract 5:</u> A tract of three &amp; 75/100 (3.75) acres of land in Floyd County, Texas, out of Blocks Nos. 9 and 10, in Price First Addition to the Town of Floydada, in Floyd County, Texas, being out of a parcel of 5-31/100 acres out of Blocks Nos. 1, 9, and 10 in such Price First Addition as such parcel is described in Deed dated November 11, 1976, recorded Vol. 208, Page 400, Deed Records of Floyd County, Texas, from J.M. Willson Jr., to Floydada Motel Inc., to which reference is here made for all purposes; such tract of 3-75/100 acres of land being described by metes and bounds, according to Field Note prepared by Carl Williams, Registered Public Surveyor, dated October 6, 1978, recorded Vol. 214, Page 880, Deed Records of Floyd County, Texas, as more particularly described in the Deed of Trust.</p>			
1121 19th St. (Same Lease as 1301 19th St.)	Lubbock	Lots Five (5), Block One (1), I.A. Boyd Subdivision of Block One (1) of South Side Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat and/or dedication deed thereof recorded in Volume 92, Page 187 of the Deed Records of Lubbock County, Texas; subject to mineral and/or royalty reservations and restrictive covenants of record; and subject to easements and rights-of-way of record or visible on the ground.	D&R Acquisitions	Reagor Auto Mall, LTD d/b/a Reagor Auto Mall; Prme Capital Auto Lease; and Reagor-Dykes Imports	3/1/2013 - 2/28/2016
4710-4706 Canyon Drive, Amarillo, TX	Randall	Tract 1: A 0.773 acre tract of land being a portion of Lot 5, Block 6 of Western-Air Addition Unit No. 19, an addition to the City of Amarillo, Randall County, Texas, according to the recorded map or plat thereof of record in Volume 1232 Page 28, of the Deed Records of Randall County, Texas, and a portion of Lot 3, Block No 6, Western-Air Addition Unit No. 17, an addition to the City of Amarillo, Randall County, Texas, according to the recorded map or plat thereof of record in Volume 1163, Pages	D&R Acquisitions, LLC	Reagor-Dykes Amarillo, L.P. d/b/a Reagor- Dykes Mitsubishi	9/1/2013 - 8/31/2016



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		<p>171 and 172, of the Deed Records of Randall County, Texas, and being further described by metes and bounds as follows: BEGINNING at a 1/2 inch iron rod found for the Northeasterly corner of said Lot No. 5. Block 6 and being in the Northwesterly monumented right of way line of Interstate Highway 27; THENCE South 35° 25' 59" West, along the Northwesterly line of-27, a distance of 73.29 feet to a 3/8 inch iron rod with cap stamped "RPLS 4664" found; THENCE North 54° 34' 20" West, a distance 358.05 feet to a 3/8 inch iron rod with cap stamped "RPLS 4664" found; THENCE North 35° 27' 21" East, a distance of 73.40 feet to a 1/2 inch iron rod with cap stamped "RPLS 2507" found; THENCE South 54° 33' 18" East, a distance of 93.07 feet to a mag nail set in pavement; THENCE North 35° 28' 48" East, a distance of 28.00 feet to a mag nail set in pavement; THENCE South 54° 33' 18" East, a distance of 264.94 feet to an "X" set in concrete; THENCE South 35° 28' 48" West, a distance of 28.00 feet to the PLACE OF BEGINNING. Said tract contains a computed area of 0.773 acres of land.</p> <p>Tract 2: A 1.56 acre tract of land being a portion of Lot No. 5, Block No.6 of Western-Air Addition Unit No. 19, an addition to the City of Amarillo, Randall County, Texas, according to the recorded map or plat thereof, of record in Volume 1232, Page 18 of the Deed Records of Randall County, Texas, said 1.56 acre tract of land being further described by metes and bounds as follows: BEGINNING at a 1/2" rebar (2507), found for the most Southern corner of said Lot No.5 being in the Northwesterly monumented right-of-way line of Interstate Highway No. 27; THENCE N 54° 34' 20" W. (Base Bearing), along the Southwesterly line of said Lot No. 5, a distance of 358.14 feet to a 1/2" rebar (2507), found for the most Westerly corner of said Lot No. 5, the most Westerly corner of this tract of land; THENCE N 35° 27' 40" E. along the Northwesterly line of said Lot No. 5, a distance of 189.63 feet to a 3/8" rebar with a cap marked "RPLS 4664" set for the most Northerly corner of this tract of land, whence a 1/2" rebar (2507) found for the most Northerly corner of said Lot No.5 bears N 35° 27' 40" E. 73.40 feet; THENCE S 54° 34' 21" E. a distance of 358.05 feet to a 3/8" rebar with a cap marked "RPLS 4664", set in the Northwesterly monumented right-of-way line of Interstate</p>			

Address (according to Deed of Trust)	County	Deed of Trust Description	Landlord	Tenant	Term
		Highway No. 27 and the Southeastly line of said Lot No.5 whence a 1/2" rebar found for the most Easterly corner of said Lot No.5 bears N. 35° 25' 59" E, 72.29 feet; THENCE S 35° 25' 59" W. along the Northwesterly monumented right-of-way line of Interstate Highway No. 27 and the Southeastly line of said Lot No. 5, a distance of 189.63 feet to the POINT OF BEGINNING. Said tract contains a computed area of 1.56 acres of land.			
1301 19th St., Lubbock, TX 79401 (Lease purports to cover 1121, 1211, and 1301 19th St.)	Lubbock	TRACT 2: Lots Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19) and Twenty (20), Block One (1), Pickett and Penny Addition to the City of Lubbock, Lubbock County, Texas, according to the map, plat, and/or dedication deed thereof recorded in Volume 26, Page 2, and re-filed in Volume 26, page 68, of the Deed Records of Lubbock County, Texas; and a strip of land 9.00 feet wide extending North and South, running entirely across and adjacent to the West ends of Lots 18, 19, and 20, and being same 9.00 foot strip of land referred to in a mandate recorded in Volume 251, Page 537, of the Deed Records of Lubbock County, Texas;  LESS, SAVE AND EXCEPT that portion of said Lots 18 and 19 conveyed to the City of Lubbock in Volume 891, Page 585, of the Deed Records of Lubbock County, Texas, and being said being portion being further described by metes and bounds as follows: BEGINNING at a point 6.00 feet North of the Southeast corner of said Lot 18, Block I, Pickett and Penney Addition; THENCE North 03°59'30" West to a point in said Lot 19, a distance of 36.44 feet to a point 5.69 feet West and 2.00 feet North of the Southeast corner of said Lot 19; THENCE South 17°59'00" East, along the present West right-of-way of Avenue L., a distance of 18.95 feet to a point in the East line of said Lot 19; THENCE South, along the East line of said Lot 19, a distance of 18.95 feet to the Point of Beginning; and  LESS, SAVE AND EXCEPT that portion of said Lots 18, 19, and 20 conveyed to the City of Lubbock in Volume 561, Page 93, of the Deed Records of Lubbock County, Texas, and being said portion being further described by metes and bounds as follows: BEGINNING at a point in the East line of said Lot 18, and said point being 24.95 feet North of the	D&R Acquisitions	Reagor Auto Mall, LTD d/b/a Reagor Auto Mall; Prme Capital Auto Lease; and Reagor-Dykes Imports	\$25,000/month  * Effective 12/1/15, rent increased to \$50,000/month (See 11/27/15 Lease Addendum)  * Effective 10/1/16, rent increased to \$52,000/month (See 9/28/16 Lease Addendum)

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		<p>Southeast corner of said Lot 18; THENCE North, along the East line of said Lots 18, 19, and 20, a distance of 77.00 feet to a point and said point being the intersection of the East line of said Lot 20 and the South right-of-way line of 19th Street; THENCE West, along the South right-of-way line of 19th Street, a distance of 25.00 feet to a point; THENCE Southerly, across Lots 18, 19, and 20, a distance of 50.95 feet to the Point of Beginning; and</p> <p>LESS, SAVE AND EXCEPT that portion of said Lot 20 awarded to the City of Lubbock in a Final Judgment recorded in Volume 687, Page 239, of the Deed Records of Lubbock County, Texas, and being said portion being further described by metes and bounds as follows: BEGINNING at the Northwest corner of the hereinabove described tract of land; THENCE East, along the North property line of the hereinabove described tract of land, a distance of 60.00 feet to the Northeast corner of said tract; THENCE South, along the East boundary line of said tract of land to a point in the South property line of a proposed street, which said point is 18.26 feet South of the North line of Section Seven (7), Block B, Lubbock County, Texas; THENCE Westerly, a distance of 60.00 feet to a point in the West boundary line of the hereinabove described tract of land, which point is 18.42 South of said section line; THENCE North, a distance of 18.42 feet to the Point of Beginning.</p>			